

VZCZCXRO2566  
RR RUEHAG RUEHROV  
DE RUEHNC #0731/01 2561516  
ZNY CCCCC ZZH  
R 121516Z SEP 08  
FM AMEMBASSY NICOSIA  
TO RUEHC/SECSTATE WASHDC 9144  
INFO RUCNMEM/EU MEMBER STATES COLLECTIVE  
RUEHBS/USEU BRUSSELS  
RUCNDT/USMISSION USUN NEW YORK 1219

C O N F I D E N T I A L SECTION 01 OF 03 NICOSIA 000731

SIPDIS

DEPARTMENT FOR EUR/SE, EUR/CARC

E.O. 12958: DECL: 09/11/2018  
TAGS: [PREL](#) [PGOV](#) [UNFICYP](#) [CY](#) [TU](#) [GE](#)  
SUBJECT: CYPRUS: FM KYPRIANOU DESIRES CLOSE U.S.-ROC  
RELATIONS

Classified By: Ambassador Frank C. Urbancic, Reasons 1.4 (b), (d)

¶1. (C) SUMMARY: "Nothing should divide us" asserted Republic of Cyprus Foreign Minister Markos Kyprianou at Ambassador Urbancic's September 10 introductory call. The United States and Cyprus shared numerous interests, Kyprianou continued, and could cooperate in spheres ranging from science and technology to the Middle East peace process. Regarding the nascent Cyprus settlement negotiations, the Foreign Minister held no illusions they would prove quick or painless, since the Turkish- and Greek-Cypriot positions remained distant in many core areas. Not unexpectedly, when asked where the U.S. might best assist, "in Ankara" was his response -- T/C leaders, he argued, had short leashes and zero authority to negotiate issues where Turkey had equities. Kyprianou next tackled the Caucasus conflict. Steadfast in its "principled" position, Cyprus would continue to demand respect for Georgia's territorial integrity and sovereignty, despite "the whole mess having started with Saakashvili." The RoC supported quick deployment of an EU monitoring mission to "Georgia proper," but continued to oppose efforts by harder-line states to isolate Russia. Kyprianou noted the RoC wanted the U.S. to conclude a bilateral agreement to govern all USAID activities, especially in the north. Hedging his comments somewhat, he thought the U.S. had not coordinated its programs with the Cypriot government. In response, the Ambassador assured the FM that appropriate Ministry personnel had been briefed on aid program particulars; since the Embassy had not received a response, it planned to proceed with implementation. END SUMMARY.

-----  
Lots of Room to Cooperate  
-----

¶2. (C) "You have arrived at an interesting time," Kyprianou began, referring to the September 3 start of full-fledged negotiations on the island but also to improved bilateral relations between Cyprus and the United States. He assessed that the two countries shared various interests and could further improve cooperation. Of EU member states, only Cyprus was located in the Middle East, making it a useful (and willing) partner on initiatives that focused on the unstable region. Kyprianou pointed to other areas of recent progress, such as a bilateral Science and Technology Agreement that the RoC's Council of Ministers had recently initialed (Note: State Department officials are currently studying a number of Cyprus-proposed edits. End Note.) On talks geared toward extending the U.S. Visa Waiver Program to include Cyprus, the Minister actually accepted some responsibility for delays, claiming the European Union's desire to negotiate VWP membership for its members as a group -- rather than allowing them to negotiate bilaterally, as Cyprus recently had done with Russia -- had proven untenable. Securing visa-free U.S. travel for Cypriot citizens remained an important RoC goal, however.

13. (C) Like most Greek Cypriot politicians, Kyprianou maintained that the Cyprus settlement effort must remain "by the Cypriots, for the Cypriots." And again not deviating from the norm, he identified one key area where U.S. efforts could best help: in pressuring Ankara to give Talat negotiating flexibility. Many aspects of the process directly affected Turkey's perceived interests on the island, the FM maintained, and while the GoT did not sit at the table, its leadership exerted great influence over Turkish Cypriot leader Mehmet Ali Talat and other members of the T/C negotiating team. Talat enjoyed little maneuvering room on most core issues, and none on issues of security, Kyprianou asserted. In such a scenario, he hoped the USG might push Turkey to act more constructively and allow T/Cs more freedom for deal-making.

14. (C) The process would hit potholes, and leaders in both communities must be prepared to face them, Kyprianou ventured. Breaking ranks somewhat from the G/C mainstream, who argue for no foreign arbitration or mediation at all, he envisioned the sides seeking assistance from the international community to break deadlocks. Kyprianou blamed an incomplete preparatory phase of negotiations for what he expected to be a rough road ahead: while certain working groups had reached convergence on multiple issues, others had tallied far fewer successes and some, none at all. President Demetris Christofias had made a judgment call to consent to

NICOSIA 00000731 002 OF 003

the start of full-fledged negotiation. "He really had no other choice," the FM believed, although the decision had rankled various G/C parties, including Kyprianou's DIKO. "And I support him in his decision."

15. (C) Kyprianou next outlined the short-term way forward on the negotiations. Talat and Christofias had proven unable to commit to a firm schedule for the talks, but would continue meeting weekly unless developments mandated a different tempo. The working groups would reconstitute in order to support the leaders' deliberations. In a best-case scenario, Christofias and Talat would reach a tentative, basic agreement late in 2009, with the "gaps" to be plugged thereafter. As long as the negotiations were delivering measurable progress, he saw no reason to push the process. Such a tortoise-paced approach had the benefit of not raising public expectations to unreal levels, a problem in prior negotiations, he added.

-----  
Georgia: Cyprus On Board for EU Observers  
-----

16. (C) Dominating the Cypriots' policy formulation equation on Georgia was its iron-clad support for states' territorial inviolability and sovereignty, Kyprianou maintained. The RoC had vigorously opposed Kosovo's unilateral declaration of independence, fearing it would unleash a domino effect across the globe, and with Abkhazia and South Ossetia, its fears had come true. Issues of secession and independence must be tackled bilaterally or multilaterally via negotiation, not unilaterally and/or via force of arms. Cyprus would continue to support measures that called on all nations to respect Georgia's borders, a position that had earned it Moscow's ire, he claimed.

17. (C) That said, the RoC opposed punitive measures against Russia. "Active engagement, not isolation and sanctions, are in order," Kyprianou argued, an ironic message since the RoC has vigorously employed both weapons against the "Turkish Republic of Northern Cyprus." He didn't expect the EU to harden its stance, owing to Europe and Russia's significant

and growing interdependence. Kyprianou stated flatly that Cyprus now supported an EU civilian monitoring mission for Georgia, despite rumors in some member states to the contrary. He had first favored adding monitors to the OSCE mission, since establishing an autonomous European Union force could lead to the EU, OSCE, and UN stumbling over each other. So as not to delay their deployment further, Kyprianou favored acceding to Russia's demands that the EU force limit activities to "Georgia proper" and not venture into the disputed territories.

¶18. (C) In a moment of candor, Kyprianou asserted that Georgia deserved blame for provoking the latest Caucasus conflict. "They delivered a present to Russia" via their attack in South Ossetia. "It would be like us attacking Turkish Cypriots here, and not expecting Turkey to strike back," he reasoned. "Saakashvili took the bait -- what did he think would happen?" the Minister questioned. Time in Brussels working regularly with Moscow -- Kyprianou served as EU Health Commissioner until early 2008 -- had shown him that Moscow bristled when confronted directly. "Better to give them a way to save face," he concluded.

-----  
Unspecified Concern with USAID Programs  
-----

¶19. (C) Although admittedly shy on the details, Kyprianou stated that elements of the U.S. assistance program in Cyprus concerned some in his ministry. "I've been told that the problems have been building up over many years" he explained; first among them was the MFA's perception that USAID providers were not adequately consulting their Cypriot interlocutors over program goals and implementation. The Ministry favored a Memorandum of Understanding that formalized the consultative procedure, he added. The Ambassador forcefully countered that U.S. assistance aimed to create improved conditions for the island's reunification and therefore benefited Greek- and Turkish-Cypriots alike. Embassy personnel regularly offered program briefings to high-level MFA staff, including details of all active and planned programs, but had received no response. The U.S. would continue to consult, the Ambassador pledged, but would not seek RoC approval before funding programs. He reminded Kyprianou that USAID had left a full briefing with the Ministry several months earlier. Since no comments had yet

NICOSIA 00000731 003 OF 003

been received, the Embassy planned to proceed with implementation.

-----  
Comment  
-----

¶10. (C) We are encouraged that Kyprianou began the meeting by praising the Embassy's role in putting U.S.-Cyprus relations on an upward track since its Annan Plan-era nadir. Further, in arguing that "nothing should divide us" and voicing desires to support key U.S. policy priorities like Middle East peace, he has helped alleviate somewhat our fears that the February election of the Soviet-educated Demetris Christofias and elevation into power of his anti-American, Communist AKEL could threaten hitherto solid cooperation in international security and counter-terrorism. Kyprianou's eventual decision not to block the EU monitoring mission -- possibly bucking Moscow's pressure in doing so -- shows a realization that Cyprus cannot cozy too close to Moscow without negative repercussions among the EU 27.

¶11. (C) On the Cyprus Problem, it came as no surprise that Minister Kyprianou, hailing from nationalist DIKO and the son of a hard-line former RoC president, spouted the same, "the problem lies with Turkey" rhetoric common in the G/C community. What was most interesting, however, was his acknowledgment that "pressure Ankara" was not the only role

for the international community; despite Greek Cypriots' desire for a "Cyprus Solution," the sides eventually will face deadlocks that only third-party help can resolve. Kyprianou also offered a realistic picture of the pace of negotiations and need to manage public expectations.

Urbancic